

SUPPLEMENT TO:

**WORKFORCE
RESTRUCTURING PLAN**

LOS ALAMOS SITE-WIDE

FY 95-96

November 9, 1995

**U. S. Department of Energy
Albuquerque Operations Office
For
Los Alamos National Laboratory
and Related Subcontractors**

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GENERAL

IN ACCORDANCE WITH THE PROVISIONS OF THE NATIONAL DEFENSE AUTHORIZATION ACT, AN FY95-96 SITE-WIDE WORKFORCE RESTRUCTURING PLAN (FY95-96 PLAN) FOR THE LOS ALAMOS NATIONAL LABORATORY (LANL) WAS PREPARED TO ACCOMMODATE WORK FORCE RESTRUCTURING AT THE SITE, AND SUBMITTED TO CONGRESS ON MAY 5, 1995. THIS SUPPLEMENT IS BEING PROVIDED TO ADDRESS ADDITIONAL WORK FORCE RESTRUCTURING, BEYOND THE REDUCTIONS IDENTIFIED IN THE PLAN SUBMITTED TO CONGRESS, DURING FY 1995-96.

STATUS OF WORKFORCE RESTRUCTURING

ON JANUARY 6, 1995, THE DEPARTMENT OF ENERGY ANNOUNCED THAT CUTS IN FUNDING FOR DEFENSE PROGRAMS WOULD REQUIRE A WORKFORCE REDUCTION DURING FY95 THAT WOULD IMPACT UP TO 200 LANL POSITIONS AND 300 SUBCONTRACTOR POSITIONS AS A RESULT OF AN APPROXIMATE BUDGET SHORTFALL OF \$85 MILLION. COPIES OF A DRAFT FY 95-96 PLAN FOR LOS ALAMOS WERE MADE AVAILABLE FOR PUBLIC REVIEW ON JANUARY 17, 1995. THE DEPARTMENT OF ENERGY HOSTED TWO MEETINGS IN LOS ALAMOS TO OBTAIN EMPLOYEE INPUT ON THE DRAFT FY 95-96 PLAN ON MARCH 1, 1995 AND A MEETING THE EVENING OF MARCH 1, 1995 TO OBTAIN PUBLIC STAKEHOLDER AND ADDITIONAL EMPLOYEE INPUT. MANY ISSUES WERE RAISED DURING THE MEETINGS INCLUDING THE OFFERING OF AN EARLY RETIREMENT PROGRAM OR A VOLUNTARY SEPARATION PROGRAM (VSP).

THE SKILLS IDENTIFIED AS EXCESS AT THAT TIME WERE FOCUSED IN THE SCIENTIFIC AND TECHNICAL FIELD, AND HIGHLY SPECIALIZED. BECAUSE OF THE UNIQUE NATURE OF THESE SKILLS, IT WAS JUDGED THAT THE POPULATION ACCEPTING A VOLUNTARY INCENTIVE WOULD NOT COINCIDE SUFFICIENTLY WITH THE LABORATORY'S EXCESS SKILLS TO MITIGATE THE EFFECT OF AN IRIF. AS A RESULT, NEITHER AN EARLY RETIREMENT PROGRAM, NOR A VSP WAS OFFERED.

CONSEQUENTLY, LANL ISSUED THE FIRST IRIF NOTICES ON MARCH 7, 1995. FOLLOWING CONSIDERATION OF STAKEHOLDER COMMENTS AND SUGGESTIONS, THE FY 95-96 PLAN WAS FINALIZED AND PUBLICLY DISSEMINATED ON MAY 5, 1995. THE FIRST IRIF TERMINATIONS WERE EFFECTIVE MAY 5, 1995. IN ADDITION, IT WAS ANNOUNCED THAT FURTHER PERSONNEL REDUCTIONS MIGHT BE REQUIRED AT LANL DURING FY 1995-6.

BETWEEN MARCH 7, 1995, AND AUGUST 1, 1995, LANL ISSUED 93 IRIF NOTICES TO ITS EMPLOYEES PROVIDING SIXTY DAYS NOTICE BEFORE TERMINATION. OF THAT NUMBER, 64 EMPLOYEES HAVE BEEN TERMINATED, 15 HAVE TRANSFERRED TO OTHER JOBS, AND 14 WERE REMOVED FROM IRIF STATUS BECAUSE FUNDING WAS IDENTIFIED FOR THEM. THE BALANCE OF IRIF NOTICES CONTEMPLATED BY THE INITIAL FY 95-96 PLAN WERE ISSUED ON SEPTEMBER 13, 1995, WITH TERMINATION SCHEDULED FOR NOVEMBER 13, 1995.

BECAUSE THE ANTICIPATED REDUCTIONS IN EARLY FY95 WERE PROGRAMMATICALLY DRIVEN, THE IRIF POPULATION WAS HEAVILY REPRESENTED BY SCIENTISTS, ENGINEERS AND TECHNICIANS. THE SKILL AREAS IMPACTED THROUGH AUGUST 31, 1995, ARE CONSISTENT WITH THOSE DESCRIBED IN THE FY95-96 PLAN.

THE BUDGET REDUCTIONS IMPOSED ON LANL ALSO IMPACTED PERSONNEL LEVELS FOR SUBCONTRACTORS PERFORMING WORK AT THE LOS ALAMOS SITE. AS A RESULT, LANL SUBCONTRACTORS EXPERIENCED A NET PERSONNEL LOSS¹ OF 134 EMPLOYEES BETWEEN JANUARY 1, 1995, AND AUGUST 1, 1995.

IN AN EFFORT TO BE CONSISTENT WITH DOE GUIDANCE AND INITIATIVES AIMED AT BECOMING MORE COST-EFFECTIVE, LANL CONCLUDED IN JULY 1995 THAT STRONGER STEPS WOULD HAVE TO BE TAKEN TO BRING THEIR WORKFORCE TO A LEVEL THAT CAN BE SUPPORTED WITHIN FORECASTED BUDGETS WHILE INCREASING PRODUCTIVITY. IN THIS REGARD, LANL'S DESIRED GOAL IS TO PROVIDE MORE SCIENCE AND TECHNOLOGY (S&T) FOR EVERY FUNDING DOLLAR BY INCREASING THE RATIO OF PERSONNEL DOING DIRECT TECHNICAL WORK TO THOSE INDIRECTLY SUPPORTING LANL. PRESENTLY, THE RATIO OF EMPLOYEES ENGAGED IN SCIENCE AND TECHNOLOGY TO THOSE IN SUPPORT FUNCTIONS IS .94 TO 1.0, RESPECTIVELY. THE FOLLOWING TABLE INDICATES HOW THIS RATIO MAY BE IMPROVED DURING FY96, BASED ON A CURRENT BUDGET ESTIMATE OF \$1.0 BILLION.

¹ Because LANL subcontractors are reducing the numbers of employees with certain skills and hiring employees with different skills, the difference is referred to as the "net personnel loss."

FY	RATIO (S&T/SUPPORT)	S&T FTEs/SUPPORT FTEs	TOTAL FTEs
95	0.94 : 1.0	4926 / 5247	10,173
96	1.10 : 1.0	4751 / 4322	9,073
DIFFERENCE			1,100

THE ABOVE TABLE INDICATES THAT INCREASING THE RATIO OF EMPLOYEES ENGAGED IN SCIENCE AND TECHNOLOGY TO THOSE PERFORMING SUPPORT FUNCTIONS WILL REQUIRE A WORKFORCE REDUCTION OF APPROXIMATELY 1,100 EARLY IN FY96. ABOUT 500 WILL BE LABORATORY EMPLOYEES AND 600 WILL BE SUBCONTRACTOR EMPLOYEES. THE EARLIER ESTIMATE THAT 200 LABORATORY POSITIONS AND 300 SUBCONTRACTOR POSITIONS WOULD BE ELIMINATED IS INCLUDED IN THE 1,100 EXCESS-EMPLOYEE ESTIMATE.

WHILE THE PROPOSED REDUCTION-IN-FORCE IS DRIVEN PRIMARILY BY PRODUCTIVITY CONCERNS, THE FY96 BUDGET ESTIMATE INDICATES AN APPROXIMATE 9% REDUCTION IN BUYING POWER. CONSEQUENTLY, THE PROPOSED REDUCTION IS BOTH WORK PRODUCTIVITY AND BUDGET DRIVEN.

TO ALERT EMPLOYEES TO THE UPCOMING REDUCTIONS, EMPLOYEE MEETINGS HAVE BEEN, HELD AND MEDIA RELEASES HAVE BEEN MADE THROUGH NEWSPAPERS AND TELEVISION NETWORKS IN THE COMMUNITIES SURROUNDING LANL. EMPLOYEES HAVE BEEN BRIEFED THROUGH COLLOQUIA AND THE LANL TELEVISION NETWORK AND NEWSPAPER. IN ADDITION, BRIEFINGS HAVE BEEN HELD, OR ARE BEING SCHEDULED, WITH MEMBERS OF THE STATE'S CONGRESSIONAL DELEGATION AND LEGISLATURE. SUBCONTRACTOR EMPLOYEES WILL BE BRIEFED BY THEIR EMPLOYERS IN ADDITION TO RECEIVING INFORMATION THROUGH MEDIA DISCUSSED ABOVE.

SUMMARY OF WORKFORCE RESTRUCTURING

THE FY95-96 PLAN IS CURRENTLY IN EFFECT FOR LANL; THERE ARE NO OTHER VERSIONS. THE BENEFITS INCLUDED IN THE FOLLOWING TABLE HAVE BEEN APPROVED IN THE FY 95-96 PLAN FOR ELIGIBLE LABORATORY AND SUBCONTRACTOR EMPLOYEES.

FY95 APPROVED PLAN BENEFITS

	SEVERANCE PAY	RETRAINING/TUITION ASSISTANCE	OUTPLACEMENT ASSISTANCE	RELOCATION ASSISTANCE
LANL EMPLOYEES	\$4,040,850	\$635,000	\$48,040	\$25,000
CONTRACTOR EMPLOYEES	N/A	\$ 100,000	\$ 5,952	\$25,000

VOLUNTARY SEPARATION PROGRAM

THE FY 95-96 LOS ALAMOS SITE-WIDE WORK FORCE RESTRUCTURING PLAN APPROVED ON MAY 5, 1995 DID NOT INCLUDE A VSP BECAUSE THE SKILLS THEN IDENTIFIED AS EXCESS WERE FOCUSED IN THE SCIENTIFIC AND TECHNICAL FIELD. BECAUSE OF THE UNIQUE NATURE OF THESE SKILLS, IT WAS JUDGED THAT THE POPULATION ACCEPTING A VOLUNTARY INCENTIVE WOULD NOT COINCIDE SUFFICIENTLY WITH THE LABORATORY'S EXCESS SKILLS TO MITIGATE THE EFFECT OF AN IRIF. WITH THE CHANGE IN FOCUS TO REDUCING ADMINISTRATIVE AND SUPPORT POSITIONS, WHICH DID NOT HAVE SUCH UNIQUE SKILLS, AND THE INTEREST FROM THE STAKEHOLDER MEETINGS ON MARCH 1, 1995, IT WAS DETERMINED THAT A TARGETED VSP FOR LANL EMPLOYEES WAS PRACTICABLE. BASED UPON INPUT FROM THE STAKEHOLDER MEETINGS AND CONSULTATION WITH ELECTED OFFICIALS, THE OFFICE OF WORKER AND COMMUNITY TRANSITION, DOE AL, AND LANL MANAGEMENT DEVELOPED A VSP. THE PROGRAM WAS ANNOUNCED ON AUGUST 21, 1995 AND HAS HELPED MITIGATE THE NUMBER OF INVOLUNTARY TERMINATIONS THAT WERE REQUIRED EARLY IN FY96.

THE VSP WAS AVAILABLE TO EMPLOYEES IN SUPPORT FUNCTIONS ONLY. TECHNICAL STAFF MEMBERS AND TECHNICIANS PERFORMING DIRECTLY FUNDED PROGRAMMATIC WORK, AND MANAGERS IN THE LABORATORY'S PROGRAMMATIC DIVISIONS WERE NOT ELIGIBLE. THERE WERE APPROXIMATELY 3,500 EMPLOYEES IN SUPPORT FUNCTIONS THAT WERE ELIGIBLE TO APPLY FOR PARTICIPATION IN THE VSP. SUBCONTRACTOR EMPLOYEES WERE NOT ELIGIBLE TO PARTICIPATE IN THE VSP.

FULL-TIME REGULAR EMPLOYEES WHO TERMINATED THROUGH THE VSP RECEIVED THE GREATER OF SEVERANCE PAY IN ACCORDANCE WITH APPENDIX A OF THE CONTRACT BETWEEN THE UNIVERSITY OF CALIFORNIA AND THE DEPARTMENT OF ENERGY OR \$20,000 (PRORATED FOR PART-TIME REGULAR EMPLOYEES). IN ADDITION, ELIGIBLE EMPLOYEES WHO VOLUNTARILY TERMINATED ARE BEING OFFERED OUTPLACEMENT, RELOCATION, AND TUITION ASSISTANCE AS THE BENEFITS ARE DESCRIBED IN THE FY95-96 PLAN. RETIREES WHO PARTICIPATED IN THE VSP ARE INELIGIBLE TO PARTICIPATE IN THE BENEFITS DESCRIBED ABOVE.

THERE WERE 252 EMPLOYEES WHO TOOK ADVANTAGE OF THE VSP AT A COST OF \$6,130,068.03.

INVOLUNTARY REDUCTION IN FORCE

AN IRIF IMMEDIATELY FOLLOWED THE VSP WITH 60 DAY IRIF NOTICES ISSUED ON SEPTEMBER 13, 1995. AFTER ALL APPLICATIONS FOR THE VSP WERE RECEIVED, AN ANALYSIS WAS CONDUCTED TO MATCH IRIF CANDIDATES WITH VACANCIES CREATED BY PARTICIPANTS IN THE VSP. AS A RESULT OF THE VSP, APPROXIMATELY 200 FEWER EMPLOYEES THAN ORIGINALLY PLANNED, RECEIVED IRIF NOTICES. EMPLOYEES WHO RECEIVED IRIF NOTICES ARE SCHEDULED TO TERMINATE ON NOVEMBER 13, 1996, AND MAY BE ELIGIBLE FOR BENEFITS DESCRIBED IN THE APPENDIX TO THIS SUPPLEMENT AND IN THE FY 95-96 PLAN.

THE SCHEDULE BELOW WAS FOLLOWED IN ACCOMPLISHING THE LANL WORKFORCE REDUCTION:

AUGUST 21, 1995	ANNOUNCEMENT AND START OF APPLICATION PERIOD FOR THE VSP.
SEPTEMBER 8, 1995	DEADLINE FOR APPLYING FOR APPLICATIONS FOR THE VSP.
SEPTEMBER 11, 1995 (5:00 MDT)	LAST DATE FOR WITHDRAWING APPLICATIONS FOR THE VSP.
SEPTEMBER 8, 1995 TO NOVEMBER 13, 1995	MATCHING IRIF CANDIDATES WITH VACANCIES CREATED BY VOLUNTEERS.

SEPTEMBER 13, 1995

ISSUANCE OF IRIF NOTICES.

SEPTEMBER 15, 1995

TERMINATION DATE FOR VSP VOLUNTEERS.

NOVEMBER 13, 1995

TERMINATION DATE FOR IRIF EMPLOYEES.

THE SAME LEVEL OF SEPARATION BENEFITS TO LANL EMPLOYEES WHO SEPARATE THROUGH IRIF DURING FY96 WILL BE PROVIDED AS TO THOSE WHO SEPARATED THROUGH IRIF IN FY95. DETAILED BENEFIT DISCUSSIONS AND COST ESTIMATES ARE PROVIDED IN THE APPENDIX AS WELL AS IN THE FY 95-96 PLAN.

THERE WERE 256 EMPLOYEES WHO RECEIVED IRIF NOTICES WITH SEPARATION SCHEDULED FOR NOVEMBER 13, 1995, AT A SEVERANCE COST OF \$5,535,000.

LANL SUBCONTRACTOR SEPARATION PROGRAM

LANL SUBCONTRACTS WITH SEVERAL EMPLOYERS FOR A VARIETY OF SERVICES THAT SUPPORT THE TECHNICAL MISSION, INCLUDING CRAFTS SUPPORT, SECURITY, AND INTERMITTENT WORKERS IN NUMEROUS DISCIPLINES. THE SUBCONTRACTS ARE AWARDED COMPETITIVELY IN FULL COMPLIANCE WITH FEDERAL REGULATIONS GOVERNING GOVERNMENT SUBCONTRACTING.

AS MENTIONED EARLIER, APPROXIMATELY 600 SUBCONTRACTOR EMPLOYEES WERE ESTIMATED TO BE IMPACTED BY THE REDUCTIONS IDENTIFIED IN THE APPROVED PLAN AND THOSE IDENTIFIED IN THIS SUPPLEMENT. ON SEPTEMBER 13, 1995, THE SUBCONTRACTOR EMPLOYERS WERE NOTIFIED THAT THE ASSIGNMENTS OF 297 SUBCONTRACTOR EMPLOYEES WOULD BE TERMINATED ON OR ABOUT NOVEMBER 13, 1995. THE EMPLOYERS IN TURN NOTIFIED THE EMPLOYEES OF THE CANCELLATION OF THEIR WORK FOR LANL AND THE DECISION REGARDING CONTINUED EMPLOYMENT WITH THE SUBCONTRACTOR. IN SOME CASES, THE SUBCONTRACTOR MAY HAVE WORK WITH ANOTHER ENTITY THE EMPLOYEE CAN SUPPORT. IT IS ANTICIPATED THERE WILL BE FEW OF THESE OPPORTUNITIES; AND ULTIMATELY, MANY OF THE 297 EMPLOYEES ARE EXPECTED TO BE DISPLACED. OUTPLACEMENT SERVICES, RETRAINING/TUITION ASSISTANCE, PREFERENCE IN HIRING, AND RELOCATION WILL BE AVAILABLE FOR ELIGIBLE SUBCONTRACTOR EMPLOYEES. ELIGIBLE SUBCONTRACTOR EMPLOYEES ARE THOSE WHO MEET THE JOB ATTACHMENT TEST AS DEFINED IN THE FY 95-96 PLAN, AND IN THE GUIDANCE IMPLEMENTING SECTION 3161 OF THE FY93 NATIONAL DEFENSE AUTHORIZATION ACT.

LANL COSTS FOR BENEFITS

BENEFIT	FY95 APPROVED PLAN	FY95 FUNDING SPENT AS OF 8-1-95*	FY95 FUNDING REMAINING	ADDITIONAL AMOUNT NEEDED FOR ACTIVITIES IDENTIFIED IN FY95
RETRAINING/TUITION ASSISTANCE	\$ 635,000	\$ 43,279	\$ 591,721	\$497,500,
INVOLUNTARY SEPARATION PROGRAM SEVERANCE PAY	\$ 4,040,850	\$ 988,044	\$ 3,052,806	\$2,472,194
VOLUNTARY SEPARATION PROGRAM SEVERANCE PAY	-0-	-0-	-0-	\$6,130,068
OUTPLACEMENT	\$ 48,040	\$ 23,036	\$ 25,004	\$213,184
RELOCATION ASSISTANCE (\$5,000 MAX PER EMPLOYEE)	\$ 25,000	-0-	\$25,000	\$25,000
TOTAL ESTIMATED COSTS	\$ 4,673,890	\$ 1,054,359	\$3,619,531	\$9,337,946

* ALL COSTS MAY NOT HAVE BEEN IDENTIFIED AND MORE COMMITMENTS MAY EXIST THAN SHOWN.

**SUBTOTAL ESTIMATED LANL RESTRUCTURING COSTS FOR ACTIVITIES
IDENTIFIED IN FY95 = \$14,011,836**

LANL SUBCONTRACTOR COST FOR BENEFITS

BENEFIT	FY95 APPROVED PLAN	FY95 FUNDING SPENT AS OF 8-1-95*	FY95 FUNDING REMAINING	ADDITIONAL AMOUNT NEEDED FOR ACTIVITIES IDENTIFIED IN FY95
RETRAINING/TUITION ASSISTANCE	\$ 100,000	-0-	\$ 100,000	\$137,500
OUTPLACEMENT	\$ 5,952	-0-	\$ 5,952	\$6,000
RELOCATION ASSISTANCE (\$5,000 MAX PER EMPLOYEE)	\$ 25,000	-0-	\$ 25,000	\$50,000
TOTAL ESTIMATED COSTS	\$ 130,952	-0-	\$ 130,952	\$193,500

* ALL COSTS MAY NOT HAVE BEEN IDENTIFIED AND MORE COMMITMENTS MAY EXIST THAN SHOWN.

**SUBTOTAL ESTIMATED SUBCONTRACTOR COSTS FOR RESTRUCTURING
ACTIVITIES IDENTIFIED IN FY95 = \$324,452**

**TOTAL ESTIMATED COST FOR LANL AND SUBCONTRACTOR
RESTRUCTURING ACTIVITIES IDENTIFIED IN FY95 = \$14,336,288**

NUMBER OF EMPLOYEES SEPARATING:

ON OR BEFORE AUGUST 31, 1995	LANL -	64
	SUBCONTRACTOR -	134
VSP PARTICIPANTS	LANL -	252
EMPLOYEES WHO RECEIVED IRIF NOTICES SEPTEMBER 13, 1995	LANL -	256
	SUBCONTRACTOR -	297
TOTAL		1003

**TOTAL ESTIMATED COSTS PER EMPLOYEE FOR ACTIVITIES IDENTIFIED IN FY95
= \$14,293**

COMMUNITY ASSISTANCE AND ECONOMIC DEVELOPMENT ACTIVITIES

AS A RESULT OF THE REDUCTIONS THAT WERE IDENTIFIED IN THE APPROVED WORK FORCE RESTRUCTURING PLAN FOR LOS ALAMOS, A REQUEST FOR \$100,000 WAS MADE AND APPROVED FOR THE NORTHERN NEW MEXICO DEFENSE ADJUSTMENT TASK FORCE TO CONTINUE ITS EFFORTS IN IDENTIFYING INITIATIVES THAT WILL HELP MITIGATE THE IMPACT OF LANL PERSONNEL REDUCTIONS ON EMPLOYEES AND SURROUNDING COMMUNITIES.

DUE TO THE INCREASE IN TOTAL SEPARATIONS RESULTING FROM ACTIONS TAKEN DURING FY95, AND THE RESULTANT ADVERSE IMPACT ON THE COMMUNITIES, ADDITIONAL FUNDING, UP TO \$5 MILLION WILL BE ALLOCATED TO BEGIN IMPLEMENTATION IN FY96 OF THE FOLLOWING PROJECTS THAT HAVE BEEN IDENTIFIED THROUGH TASK FORCE STUDIES.

- 1. DEVELOPMENT OF INDUSTRY CLUSTER INITIATIVES, INCLUDING FURNITURE-MAKING IN ESPANOLA; INDUSTRIAL PARKS ACCOMMODATING FOOD-PROCESSING IN RIO ARRIBA, SANTA FE, AND TAOS COUNTIES; AND A SMALL-BUSINESS INCUBATOR IN THE CITY OF SANTA FE FOCUSED ON THE MULTIMEDIA INDUSTRY.**
- 2. ACCELERATION OF TECHNOLOGY TRANSFER AND COMMERCIALIZATION EFFORTS FROM LANL THROUGH A FULL FINANCIAL FEASIBILITY STUDY OF THE TECHNOLOGY GATEWAY CONCEPT IN LOS ALAMOS; FEASIBILITY OF INDUSTRIAL PARK(S) LOCATED ON ONE OR MORE OF THE NORTHERN PUEBLOS TO OFFER NON-GAMBLING EMPLOYMENT IN RESEARCH, DEVELOPMENT, AND MANUFACTURING; INDUSTRIAL PARK OPPORTUNITIES IN RIO ARRIBA AND SANTA FE COUNTIES AIMED AT ENVIRONMENTAL AND BIOMEDICAL TECHNOLOGY CLUSTER DEVELOPMENT; AND A RESEARCH PARK IN LOS ALAMOS TO ATTRACT U.S. INDUSTRY SEEKING COLLABORATION WITH THE LABORATORY.**

SUBTOTAL COSTS FOR COMMUNITY ASSISTANCE AND ECONOMIC DEVELOPMENT = \$5.1 MILLION

SUBTOTAL COST FOR LANL AND SUBCONTRACTOR RESTRUCTURING = \$14,336,288

**TOTAL OF ALL COSTS FOR LANL AND CONTRACTOR FY95-96 WORKFORCE
RESTRUCTURING AND COMMUNITY ASSISTANCE AND ECONOMIC
DEVELOPMENT = \$19,436,288.**

APPENDIX

FY96 LANL EMPLOYEE COSTS

1. TUITION/RETRAINING ASSISTANCE

IT IS EXPECTED THAT AN ADDITIONAL 25 EMPLOYEES COULD REQUEST TUITION ASSISTANCE IN VIEW OF THE INCREASED NUMBER OF INVOLUNTARY REDUCTION-IN-FORCE NOTICES AS WELL AS THERE BEING FEW JOBS INTO WHICH TO TRANSFER. 25 EMPLOYEES @ \$2,500 PER YEAR WILL COST \$62,500 ADDITIONALLY IN FY96. IT IS ALSO EXPECTED THAT 30 EMPLOYEES WHO VOLUNTEER FOR SEPARATION WILL SEEK TUITION ASSISTANCE. AN ADDITIONAL \$75,000 SHOULD BE ANTICIPATED AS A COST.

ADDITIONAL FY96 TUITION ASSISTANCE FUNDING NEEDED = \$212,500

ASUBSTANTIAL PORTION OF THE \$535,000 APPROVED FOR FY95 HAS NOT BEEN COMMITTED BECAUSE THE ANTICIPATED NUMBER OF INVOLUNTARY REDUCTION-IN-FORCE NOTICES HAS NOT YET BEEN ISSUED. HOWEVER, THERE WILL BE A LARGE INCREASE IN INVOLUNTARY NOTICES THAT WILL BE ISSUED REQUIRING ADDITIONAL RETRAINING FUNDING AS EXPLAINED BELOW:

- 25 EMPLOYEES PERFORMING SUPPORT FUNCTIONS CAN BE RETRAINED TO ACCEPT POSITIONS COMPLEMENTARY TO THE DOE MISSION. 25 @ \$10,000 = \$250,000**
- 14 EMPLOYEES WILL COMPLETE THE CHEMICAL TECHNOLOGIST DEGREE PROGRAM IN FY96 AT A TOTAL COST OF \$35,000.**

ADDITIONAL FY96 RETRAINING FUNDING NEEDED = \$285,000

TOTAL TUITION/RETRAINING ASSISTANCE = \$497,500

2. OUTPLACEMENT ASSISTANCE

IN ADDITION TO THE UNCOMMITTED FY95 FUNDING THAT EXISTS FOR OUTPLACEMENT ACTIVITIES, IT IS ANTICIPATED THAT AN ADDITIONAL AMOUNT WILL BE REQUIRED FOR FY96 AS INDICATED BELOW:

- AN ADDITIONAL \$20,000 WAS REQUIRED TO PROVIDE TRAINING TO THE MANAGERS WHO NOTIFIED THE AFFECTED EMPLOYEES THAT THEY HAVE BEEN IDENTIFIED FOR REDUCTION-IN-FORCE.
- \$59,520 WILL BE REQUIRED TO AFFORD OUTPLACEMENT TRAINING TO UP TO 300 ADDITIONAL EMPLOYEES NOTIFIED OF INVOLUNTARY REDUCTION-IN-FORCE.
- IT IS EXPECTED THAT 150 EMPLOYEES WHO VOLUNTEER FOR THE VOLUNTARY SEPARATION PROGRAM WILL AVAIL THEMSELVES TO OUTPLACEMENT TRAINING AT A COST OF \$20,832.
- FY96 FUNDING IS REQUIRED TO MAINTAIN THE RESOURCE CENTER. THE COST FOR COMPUTERS, SUPPLIES, TELEPHONE LINES, RESUME ASSISTANCE, PERSONAL ASSISTANCE, ETC., IS ESTIMATED AT \$75,000.
- \$20,000 IS NEEDED TO STAGE A REGIONAL JOB FAIR FOR IMPACTED EMPLOYEES.

ADDITIONAL FY96 OUTPLACEMENT ASSISTANCE FUNDING NEEDED = \$213,184

3. RELOCATION ASSISTANCE

IT IS LIKELY THAT 5 MORE EMPLOYEES WILL SEEK RELOCATION ASSISTANCE IN FY96 AT A COST OF \$5,000 PER EMPLOYEE FOR A TOTAL INCREASED COST OF \$25,000.

ADDITIONAL FY96 RELOCATION ASSISTANCE FUNDING NEEDED = \$25,000

FY96 SUBCONTRACTOR EMPLOYEE COSTS

1. TUITION/RETRAINING ASSISTANCE

IT IS ANTICIPATED THAT AN ADDITIONAL 15 SUBCONTRACTOR EMPLOYEES MAY BE ELIGIBLE FOR TUITION ASSISTANCE DURING FY96. AT \$2,500 PER YEAR PER EMPLOYEE, THE FY96 COST FOR TUITION ASSISTANCE WILL BE \$37,500.

ADDITIONAL FY96 SUBCONTRACTOR EMPLOYEE TUITION ASSISTANCE FUNDING NEEDED = \$37,500

IT IS ESTIMATED THAT AN ADDITIONAL 10 SUBCONTRACTOR EMPLOYEES WILL BE ELIGIBLE FOR RETRAINING ASSISTANCE BY VIRTUE OF SEPARATION DURING FY96. AT A COST OF \$10,000 PER EMPLOYEE THE TOTAL ESTIMATE RETRAINING COST IS \$100,000.

**ADDITIONAL FY96 CONTRACTOR EMPLOYEE RETRAINING FUNDING NEEDED =
\$100,000**

2. OUTPLACEMENT ASSISTANCE

**AN ADDITIONAL AMOUNT OF \$ 6,000 IS NEEDED TO PROVIDE OUTPLACEMENT ASSISTANCE
TO SUBCONTRACTOR EMPLOYEES.**

**ADDITIONAL FY96 CONTRACTOR EMPLOYEE OUTPLACEMENT ASSISTANCE FUNDING
NEEDED = \$6,000**

3. RELOCATION ASSISTANCE

**ANOTHER 10 ELIGIBLE SUBCONTRACTOR EMPLOYEES COULD TAKE ADVANTAGE OF THIS
BENEFIT AT A COST OF \$5,000 PER EMPLOYEE OR TOTAL ADDITIONAL COST OF \$50,000.**

**ADDITIONAL FY96 CONTRACTOR EMPLOYEE RELOCATION ASSISTANCE FUNDING
NEEDED = \$50,000**